

**GENERAL ORDER 2019-005**  
Section 49 *Oil and Gas Activities Act*

**Issued to:**

Shanghai Energy Corporation  
PO Box 1830, Station M  
Calgary, Alberta T2P 2L8

**Attention:** Mr. Owen Bailey, Productions and Operations Manager

**Order:**

Pursuant to section 49(1)(e) of the *Oil and Gas Activities Act* (the Act), I, Patrick Smook, order that Shanghai Energy Corporation (Shanghai) must do the following:

1. By September 30, 2019, conduct a site investigation under the supervision of a qualified professional and delineate the extent of contamination on and adjacent to the operating area located at b-68-K/094-P-05 (operating area) necessary to establish the scope of remediation required to meet numerical or risk based standards of the Contaminated Sites Regulation (CSR).
2. By September 30, 2019, prepare and submit to the Commission the results of the site investigation under item 1 (the Results) along with a remediation plan (the Plan) for addressing contamination on or adjacent to the operating area as identified by the results of delineation completed under item 1 that:
  - a. is prepared by a qualified professional and addresses, by applying numerical or risk based CSR standards, the impacts of residual contaminants to receptors at the operating area; and
  - b. if the Plan involves the development of site specific risk based standards, is prepared by a risk-based Contaminated Sites Approved Professional (CSAP).
2. Submit the Results and Plan in Item 2 electronically to [C&E@bcogc.ca](mailto:C&E@bcogc.ca).
3. By February 15, 2020, complete the removal of contaminated soil (soil) on and adjacent to the operating area to the extent required to meet numerical or risk based CSR standards, and by February 15, 2020, remove the soil to a treatment site or disposal facility authorized under the *Environmental Management Act*.

4. Maintain or implement measures to prevent big game from ingesting contaminated soil on the operating area until remediation is completed.

**Conditions:**

- A. This order shall remain in effect until amended or terminated in whole or in part by the Commission.

**Reasons:**

I make this Order for the following reasons:

- i. On November 29, 2016, Shanghai became the permit holder of the operating area.
- ii. On February 12, 2015, the Commission became aware that soils and groundwater samples from the operating area were found to have contaminants in excess of the applicable standards and that contamination may be migrating from the operating area.
- iii. Residual salinity and hydrocarbon impacts remain at and in proximity to the operating area.
- iv. The operating area is adjacent to a sensitive receptor (Tsea River).
- v. In December, 2017, the Commission requested an acceptable remediation plan from Shanghai. To date an acceptable remediation plan has not been received by the Commission.
- vi. In November, 2017, the Commission became aware of big game activity (tracks) concentrated within a contaminated portion of the operating area.
- vii. On March 15, 2018, the Commission issued General Order 2018-005 to Shanghai, which included, among other things, a requirement to provide a remediation plan addressing contamination on and adjacent to the operating area.
- viii. On November 30, 2018, the Commission received Shanghai's remediation plan.
- ix. Commission staff have reviewed Shanghai's remediation plan and are of the view it is inadequate as the plan fails to delineate the extent of, and address, contamination on and adjacent to the operating area.
- x. I am of the opinion this order is necessary to protect the environment.

**Review and Appeal:**

Shanghai may request a review of this order under section 70 of the Act by submitting a request for review to [ogc.determinationreviews@bcogc.ca](mailto:ogc.determinationreviews@bcogc.ca).

Shanghai may appeal this order to the Oil and Gas Appeal Tribunal under section 72 of the Act. The process for appeals may be found at [www.ogat.gov.bc.ca](http://www.ogat.gov.bc.ca) and a notice of appeal may be sent to the Oil and Gas Appeal Tribunal at:

Oil and Gas Appeal Tribunal  
PO Box 9425 Stn Prov Govt  
Victoria, BC, V8W 9V1

A handwritten signature in cursive script, appearing to read "Patrick Smook".

Patrick Smook  
Director, Compliance and Enforcement  
Oil and Gas Commission

DATED AT Fort St. John, in the Province of British Columbia, this 14<sup>th</sup> day of May, 2019.